GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3151
ANSWERED ON:20.03.2008
EXEMPTION OF DUTY ON LIFE SAVING DRUGS
Acharia Shri Basudeb

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether his Ministry has recommended to Finance Ministry for duty exemption on life saving drugs;

(b) if so, the details thereof and the reaction of the Finance Ministry thereto; and

(c) the likely impact on the prices of such drugs after duty exemption, drug wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a): Department of Chemicals and Petrochemicals had recommended to Ministry of Finance for grant of central excise/custom duty/Counter Veiling Duty (CVD) exemption on certain medicines in order to make available these medicines at lesser price to consumers.

(b): Finance Ministry has agreed to some of the recommendations of this Department.

(c): It is expected the drug manufacturers would pass on the benefit of the duty exemption provided by the Government to the patients by reducing the MRP of medicines.